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February 5, 2019

**Sent Via Electronic Delivery:**

[regs.comments@occ.treas.gov](mailto:regs.comments@occ.treas.gov)

Legislative & Regulatory Activities Division  
Office of the Comptroller of the Currency  
400 7<sup>th</sup> Street SW, Suite 3E-218  
Washington, D.C. 20219  
Re: Docket ID OCC-2018-0038

[comments@fdic.gov](mailto:comments@fdic.gov)

Robert E. Feldman, Executive Secretary  
Attn: Comments/Legal ESS  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street NW  
Washington, D.C. 20429  
Re: RIN 3064-AE87

[regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov)

Ann E. Misback, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington, D.C. 20551  
Re: Docket ID No. R-1639 and RIN 7100-AF30

**Re: Real Estate Appraisals**

Dear Ladies and Gentlemen,

On behalf of the Oregon Bankers Association (“OBA”) and our membership of Oregon’s state and national banks, we appreciate the opportunity to comment on the above-referenced proposed rule that would increase the threshold level from \$250,000 to \$400,000 at or below which appraisals would not be required for residential real estate-related transactions. We appreciate the agencies’ work on this issue and are supportive of the proposed increase, although we believe the threshold should be raised to \$500,000 to mirror the current threshold for commercial real estate.

The proposed threshold increase will reduce burden and help lower the cost of some residential real estate transactions for banks and their customers. At the same time, the Rule continues to require evaluations that are consistent with safe and sound business practices for transactions exempted by the increased threshold.

In particular, the threshold will especially benefit rural communities. Many rural areas of the country, including much of Oregon, have experienced a considerable shortage of real estate appraisers in recent years, resulting in higher costs and longer wait times for obtaining full

appraisals. Although the turnaround time for appraisals has improved somewhat this year, this threshold change may alleviate some of the pressure.

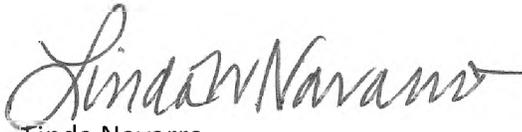
It is worth noting that some of our member banks have expressed that they may choose to obtain Uniform Standards of Appraisal Practice (“USPAP”) compliant appraisals for all residential real estate loans to protect their portfolio, and other have expressed concern that investor demands will prevent them from taking advantage of the increase.

**Conclusion**

We believe that the higher threshold contemplated in the proposed rule will reduce burden on banks and help lower costs to consumers. We also encourage the agencies to continue to seek ways to reduce burden in the real estate lending arena while maintaining safe and sound practices. Examples include reducing the federal USPAP requirements for lower dollar transactions and allowing licensed appraisers to waive USPAP requirements as long as they adhere to federal evaluation requirements. Moreover, the agencies should contemplate emerging technology and innovation that could assist in the valuation process.

Thank you for the opportunity to comment on the proposed rule. If you have any questions, please feel free to contact me.

Very best regards,



Linda Navarro  
President and CEO  
Oregon Bankers Association & Community Banks of Oregon